

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF ILLINOIS

|                       |   |                        |
|-----------------------|---|------------------------|
| FARM CREDIT LEASING   | ) |                        |
| SERVICES CORPORATION, | ) |                        |
|                       | ) |                        |
| Plaintiff,            | ) |                        |
|                       | ) | Case No. 19-cv-424-DWD |
| vs.                   | ) |                        |
|                       | ) |                        |
| CHAD E. NALLEY,       | ) |                        |
|                       | ) |                        |
| Defendant.            | ) |                        |

**ORDER ON MOTION FOR DEFAULT JUDGMENT**

**DUGAN, District Judge:**

On April 15, 2019, Plaintiff Farm Credit Leasing Services Corporation ("Farm Credit Leasing") filed suit against Defendant Chad E. Nalley related to two tractor leases. In 2014, Farm Credit Leasing entered into a commercial equipment lease agreement with Nalley for a 2011 New Holland Tractor. Nalley agreed to make one payment of \$31,000.00 in September 2014 followed by six annual payments of \$17,249.05. In 2015, the parties entered into a second lease for a 2010 New Holland Tractor. Nalley agreed to make one payment of \$20,000.00 to be followed by four annual payments of \$18,469.05. Nalley failed to make all the required payments on the tractors, and Farm Credit Leasing filed suit to recover the remaining amounts due. Farm Credit Leasing sought money damages for breach of the lease agreements and unjust enrichment and possession of the tractors through a claim for replevin. Farm Credit Leasing has since recovered possession of the tractors and is no longer pursuing its claim for replevin.

The undersigned enjoys subject matter jurisdiction pursuant to the federal diversity statute, 28 U.S.C. § 1332. The parties are completely diverse, and the requisite amount in controversy is alleged. Venue is proper under 28 U.S.C. § 1391 because events giving rise to the claims in this action occurred in this district.

Defendant was served personally on June 4, 2019. (Doc. 12). He failed to answer or otherwise defend this action, and Farm Credit Leasing secured an entry of default against him on September 6, 2019. (Doc. 20). Plaintiff mailed a copy of the default to Defendant at his last known address. (Doc. 21). By motion dated February 17, 2021, Farm Credit Leasing now seeks entry of a default judgment against Nalley. The motion for default judgment seeks damages for the breach of the leases rather than for unjust enrichment. *See e.g., Cohen v. American Sec. Ins. Co.*, 735 F.3d 601, 615 (allowing claim for unjust enrichment damages pleaded in the alternative to a breach of contract claim but explaining that damages for both are not recoverable simultaneously for the same claim). A copy of the motion was sent to Defendant at his last known address. To date, Nalley has not appeared, filed an answer, or responded to the motion for default judgment.

Attached to the motion is an affidavit of Kathy Schiroo, a Special Assets Senior Portfolio Analyst at Farm Credit Leasing. (Doc. 39-1). Ms. Schiroo confirmed the facts alleged in the complaint and avers that \$81,734.08 remains due and owing under the 2011 lease and \$34,575.80 remains due and owing under the 2010 lease. These balances remain after the repossessed tractors were sold through public, commercially reasonable sales. Farm Credit Leasing also seeks attorneys' fees, supported by an affidavit from Plaintiff's

counsel, in the amount of \$10,787.81. (Doc. 39-2). Farm Credit Leasing also requests costs in the amount of \$485.00. (Doc. 39-1).

The Court **FINDS** that Farm Credit Leasing properly secured a Rule 55(a) entry of default. The motion for default judgment comports with Rule 55(b)(2), which governs entries of default judgment by the Court, and with Rule 54(c), which requires that default judgments not grant relief different in kind from or exceed in amount what was sought in the pleadings. Accordingly, the Court **GRANTS** Farm Credit Leasing's motion for default judgment (Doc. 38). The Clerk of Court shall enter judgment in the amount of \$127,582.69 in favor of Plaintiff Farm Credit Leasing Services Corporation and against Defendant Chad E. Nalley. That total is comprised of \$116,309.88 in damages for breach of the leases, \$10,787.81 for attorneys' fees, and \$485.00 in costs. The Clerk of Court is then directed to close this case.

**SO ORDERED.**

Dated: March 11, 2021

The image shows a handwritten signature in black ink that reads "David W. Dugan". The signature is written over a circular official seal. The seal features an eagle with spread wings in the center, surrounded by the words "UNITED STATES DISTRICT COURT" at the top and "SOUTHERN DISTRICT OF ILLINOIS" at the bottom.

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DAVID W. DUGAN  
United States District Judge